

10 RDM/CFB: USAO 2015R00452

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MARYLAND

UNITED STATES OF AMERICA

v.

MARIA ESPINAL,

Defendant

CRIMINAL NO.

(Aiding and Assisting in the  
Preparation of False Tax Returns,  
26 U.S.C. § 7206(2); Mail Fraud,  
18 U.S.C. § 1341; Aggravated Identity  
Theft, 18 U.S.C. § 1028A; Forfeiture,  
18 U.S.C. § 981(a)(1)(C), 21 U.S.C.  
§ 853, 28 U.S.C. § 2461(c))

\*\*\*\*\*

INDICTMENT

COUNTS ONE THROUGH TEN

(Aiding and Assisting in the Preparation of False Tax Returns)

The Grand Jury for the District of Maryland charges that:

Introduction

At all times relevant to this Indictment:

1. Defendant **MARIA ESPINAL** ("ESPINAL") was a resident of Maryland who prepared tax returns from a building located in Gaithersburg, Maryland.
2. The Internal Revenue Service ("IRS") was an agency of the United States Department of the Treasury. The IRS had responsibility for the ascertainment, computation, assessment, and collection of taxes, including individual income taxes.
3. A U.S. Individual Income Tax Return, Form 1040 ("Form 1040") was an income tax return filed with the IRS in the name of an individual taxpayer that reported, among other items, the taxpayer's income, deductions, and credits, to determine the amount of federal tax

owed by, or the amount of federal tax refund claimed by, the taxpayer. A U.S. Individual Income Tax Return, Form 1040A ("Form 1040A") reported the same information as a Form 1040 in a shorter and simpler format.

4. A Maryland Resident Income Tax Return, Form 502 ("Form 502") was an income tax return filed with the Comptroller of Maryland in the name of an individual taxpayer that reported, among other items, the taxpayer's income, deductions, and credits, to determine the amount of Maryland tax owed by, or the amount of Maryland tax refund claimed by, the taxpayer.

5. A Wage and Tax Statement, Form W-2 ("Form W-2") was a form filed with the IRS and Comptroller of Maryland that reported, among other items, income paid to a taxpayer from employment and tax withheld by the employer, including federal and state income tax withheld, Social Security tax withheld, and Medicare tax withheld.

6. An Individual Taxpayer Identification Number ("ITIN") was an identification number issued by the IRS only available for certain nonresident and resident aliens, their spouses, and dependents who cannot get a Social Security Number in order to file their income tax returns.

7. The Form W-2 withholding amounts listed on a taxpayer's Form 1040, Form 1040A, or Form 502 were used by the IRS and the Comptroller of Maryland, in conjunction with other reported income, deductions, and credits, to determine if the taxpayer either owed additional federal and/or state tax, or was due a refund of tax.

8. Through her tax preparation business, **ESPINAL** prepared and caused to be prepared Forms 1040, Forms 1040A, Forms 502, and attached Forms W-2 on behalf of taxpayers for submission to the IRS and Comptroller of Maryland.

**Fraudulent Tax Return Preparation**

9. **ESPINAL** prepared or caused to be prepared Forms 1040, Forms 1040A, and Forms 502 for clients and attached fraudulent Forms W-2, which she altered and falsified to reflect the names of her clients when, in fact, the Forms W-2 were issued to other third-party taxpayers.

10. **ESPINAL**, while falsifying the employee's name to reflect the name of her client, did not modify any other information on the Forms W-2, including the wage or withholding amounts, or the true employee's Social Security Number or ITIN.

11. For tax years 2012 through 2016, **ESPINAL**, after preparing and falsifying Forms W-2, filed or caused to be filed with the IRS and Comptroller of Maryland the false and fraudulent Forms 1040, Forms 1040A, and Forms 502 to which she attached or caused to be attached the fraudulent Forms W-2 for her clients.

12. **ESPINAL**'s preparation of false and fraudulent Forms 1040, Forms 1040A, and Forms 502 and related Forms W-2 caused the IRS and Comptroller of Maryland to issue tax refunds to clients to which they were not entitled.

**The Charge**

13. On or about the dates set forth below, in the District of Maryland and elsewhere, the defendant,

**MARIA ESPINAL,**

did willfully aid and assist in, and procure, counsel, and advise the preparation and presentation under, and in connection with a matter arising under, the Internal Revenue laws, of returns, claims, and other documents, to wit: Forms 1040 and attached Forms W-2, for the clients listed below, whose identities are known to the Grand Jury, for the tax years listed below, which



returns, claims and other documents were false and fraudulent as to one or more material matters, in that they represented that these clients earned income and had withholding amounts as set forth below, whereas, as defendant **ESPINAL** then and there knew, said clients did not earn the income and pay tax withholdings as set forth below:

COUNT	CLIENT	TAX YEAR	APPROXIMATE FILING DATE	FALSE ITEMS
1	Client #1	2012	April 15, 2013	a) Form 1040A, Line 7: Wages, salaries tips, etc. of \$24,891 b) Form 1040A, Line 36: Federal income tax withheld from Forms W-2 and 1099 of \$2,427
2	Client #1	2013	April 15, 2014	a) Form 1040A, Line 7: Wages, salaries tips, etc. of \$32,500 b) Form 1040A, Line 36: Federal income tax withheld from Forms W-2 and 1099 of \$4,140
3	Client #2	2012	June 26, 2013	a) Form 1040, Line 7: Wages, salaries tips, etc. of \$32,957 b) Form 1040, Line 62: Federal income tax withheld from Forms W-2 and 1099 of \$4,244
4	Client #3	2012	February 26, 2014	a) Form 1040A, Line 7: Wages, salaries tips, etc. of \$32,529 b) Form 1040A, Line 36: Federal income tax withheld from Forms W-2 and 1099 of \$4,124
5	Client #3	2013	April 15, 2014	a) Form 1040A, Line 7: Wages, salaries tips, etc. of \$22,325 b) Form 1040A, Line 36: Federal income tax withheld from Forms W-2 and 1099 of \$2,438

COUNT	CLIENT	TAX YEAR	APPROXIMATE FILING DATE	FALSE ITEMS
6	Client #3	2014	October 26, 2015	a) Form 1040, Line 7: Wages, salaries tips, etc. of \$35,258 b) Form 1040, Line 64: Federal income tax withheld from Forms W-2 and 1099 of \$4,445
7	Client #3	2015	April 15, 2016	a) Form 1040A, Line 7: Wages, salaries tips, etc. of \$33,400 b) Form 1040A, Line 40: Federal income tax withheld from Forms W-2 and 1099 of \$3,487
8	Client #3	2016	April 15, 2017	a) Form 1040A, Line 7: Wages, salaries tips, etc. of \$23,783 b) Form 1040A, Line 40: Federal income tax withheld from Forms W-2 and 1099 of \$2,492
9	Client #4	2012	April 15, 2013	a) Form 1040A, Line 7: Wages, salaries tips, etc. of \$24,891 b) Form 1040A, Line 36: Federal income tax withheld from Forms W-2 and 1099 of \$2,427
10	Client #4	2013	April 15, 2014	a) Form 1040A, Line 7: Wages, salaries tips, etc. of \$22,325 b) Form 1040A, Line 36: Federal income tax withheld from Forms W-2 and 1099 of \$2,438

26 U.S.C. § 7206(2)  
18 U.S.C. § 2

**COUNT ELEVEN**  
**(Mail Fraud)**

The Grand Jury for the District of Maryland further charges that:

1. Paragraphs 1 through 12 of Counts One through Ten are incorporated here as if fully set forth in this paragraph and constitute a scheme and artifice, devised and intended to be devised by **MARIA ESPINAL**, to defraud the United States, and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises (“the scheme to defraud”).

2. On or about June 4, 2016, in the District of Maryland and elsewhere, the defendant,

**MARIA ESPINAL,**

for the purpose of executing and attempting to execute the scheme to defraud, did knowingly cause to be delivered by mail and by private and commercial interstate carrier any matter and thing, namely, a Maryland Resident Income Tax Return, Form 502, for the 2015 tax year in the name of Victim A that was prepared on or about June 4, 2016.

18 U.S.C. § 1341

**COUNT TWELVE**  
**(Aggravated Identity Theft)**

The Grand Jury for the District of Maryland further charges that:

1. Paragraphs 1 through 12 of Counts One through Ten are incorporated here as if fully set forth in this paragraph.

2. On or about June 4, 2016, in the District of Maryland and elsewhere, the defendant,

**MARIA ESPINAL,**

together with others, during and in relation to a felony enumerated in 18 U.S.C. § 1028A(c), did knowingly transfer, possess, and use, without lawful authority, a means of identification of another person knowing that the means of identification belonged to another person, to wit: the name and Individual Taxpayer Identification Number of Victim A, during and in relation to mail fraud, in violation of 18 U.S.C. § 1341, as charged in Count Eleven of this Indictment and incorporated here.

18 U.S.C. § 1028A

18 U.S.C. § 2



**FORFEITURE ALLEGATION**

The Grand Jury for the District of Maryland further finds that:

1. Pursuant to Fed. R. Crim. P. 32.2, notice is hereby given to the defendant that the United States will seek forfeiture as part of any sentence in accordance with 18 U.S.C. § 981(a)(1)(C), 21 U.S.C. § 853, and 28 U.S.C. § 2461(c), in the event of the defendant's conviction on Count Eleven of this Indictment.

2. As a result of the offense set forth in Count Eleven of this Indictment, the defendant,

**MARIA ESPINAL,**

shall forfeit to the United States of America any property, real or personal, which constitutes or is derived from proceeds traceable to such violation.

**Substitute Assets**

3. If, as a result of any act or omission of the defendant, any such property subject to forfeiture:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third person;
- c. has been placed beyond the jurisdiction of the Court;
- d. has been substantially diminished in value; or,
- e. has been commingled with other property which cannot be subdivided without difficulty,




it is the intent of the United States of America, pursuant to 21 U.S.C. § 853(p), to seek forfeiture of any other property of said defendant up to the value of the forfeitable property.

18 U.S.C. § 981(a)(1)(C)

21 U.S.C. § 853

28 U.S.C. § 2461(c)

  
Robert K. Hur  
United States Attorney

A TRUE BILL:

**SIGNATURE REDACTED**

Foreperson

Date: February 13, 2019